

ASSEMBLY BILL

No. 1977

Introduced by Assembly Member Strickland

February 14, 2002

An act to add Section 6397 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1977, as introduced, Strickland. Sales and use taxes: exemptions: computers.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale of, or the storage, use, or other consumption in this state of, tangible personal property, and provides various exemptions from that tax. Existing law authorizes cities, counties, and cities and counties to impose local sales and use taxes or transactions and use taxes, and provides that exemptions from state sales and use tax are incorporated into those local taxes.

This bill would provide an exemption from state sales and use tax for the first \$1,000 of the gross receipts from the sale of any home or laptop computer purchased during an annual specified period.

This bill would specify that this exemption does not apply to local sales and use taxes or transactions and use taxes.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 6397 is added to the Revenue and
2 Taxation Code, to read:
- 3 6397. (a) There are exempted from the computation of the
4 amount of the sales tax the first one thousand dollars (\$1,000) of
5 the gross receipts from the sale of any home or laptop computer,
6 as provided in subdivision (b).
- 7 (b) The sale shall take place during a three-day period
8 beginning at 12:01 a.m. on either the last Saturday in August or the
9 first Saturday in September, and ending at 12:00 midnight on the
10 first Monday in September.
- 11 (c) Notwithstanding any provision of the Bradley-Burns
12 Uniform Local Sales and Use Tax Law (Part 1.5 (commencing
13 with Section 7200)) or the Transactions and Use Tax Law (Part 1.6
14 (commencing with Section 7251)), the exemption established
15 herein does not apply with respect to any tax levied by a county,
16 city, or district pursuant to, or in accordance with, either of these
17 laws.
- 18 SEC. 2. This act provides for a tax levy within the meaning of
19 Article IV of the Constitution and shall go into immediate effect.

